

TOP 10 CONSIDERATIONS WHEN PURCHASING LONG TERM CARE INSURANCE

1. Don't Assume You Have This Coverage - Long term care is not covered by most health insurance policies or disability insurance. Medicare generally pays limited amounts for skilled care (not custodial care) only following a hospital stay.

2. Educate Yourself - Visit the web sites of reputable organizations related to aging or long term care, or read articles in consumer or personal finance magazines related to this topic.

3. Discuss Your Long Term Care Plans with Your Family - Consider whether or not your spouse, children, or other family members could provide care, if you need it, and the extent to which you want to depend on them.

4. Consider a Range of Care Options - Decide if you want a policy that includes coverage for a range of care options, including home care, community-based services (like adult day care), assisted-living facility and nursing home care or care in limited settings such as facilities, only.

5. Don't be Penny Wise and Pound Foolish - Sometimes the least expensive plan is not the wisest choice, because coverage may be limited and/or provide few options. You may be better off spending more on a plan that ensures you have more choices about the level and type of care you may need one day.

6. Buy Only the Coverage You Need - For example, most people don't need a policy that covers nursing home care for many years. The average stay in a nursing home is 2½ years. Consumers should also check local nursing home rates to determine the cost of care in their area, and decide how much of that cost they can pay for out-of-pocket. You don't need to purchase insurance to cover all anticipated costs, if you can pay part of them from your income or assets.

7. Buy at a Young Age - Long term care insurance rates are based on your age when you first buy the coverage. Those who buy in their 40's and 50's can have the advantage of selecting rich plan designs for a fraction of the price they would pay if they waited to buy later.

8. Ensure Your Coverage Keeps Pace with Inflation - You may not need to use your benefits for many years and the costs for long term care will increase. Be sure your plan benefits are protected against inflation and are adequate to meet your needs in the future.

9. Don't Overlook Your Employer or Organization - More and more employers and organizations are offering long term care insurance. These plans are usually carefully researched and may offer cost savings.

10. Purchase from a Financially Stable Company - Check ratings of companies to be sure that they have a proven track record and will be around when you need to use your long term care insurance benefits. Also ask about their history of premium increases.